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THIS IS NOT A DISCIPLINARY
ACTION OR FINAL DECISION
OF THE BOARD

7
8 **BEFORE THE**
9 **CALIFORNIA BOARD OF ACCOUNTANCY**
10 **DEPARTMENT OF CONSUMER AFFAIRS**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. AC-2010-23

13 **LINDA JEAN WILSON**
578 W. Washington Blvd., #709
Marina del Rey, CA 90292
Certified Public Accountant License
No. CPA 35978

ACCUSATION

14 Respondent.

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16 Complainant alleges:

17 **PARTIES**

18 1. Patti Bowers (Complainant) brings this Accusation solely in her official capacity as
19 the Executive Officer of the California Board of Accountancy, Department of Consumer Affairs.

20 2. On or about September 24, 1982, the California Board of Accountancy issued
21 Certified Public Accountant License Number CPA 35978 to Linda Jean Wilson (Respondent).
22 The Certified Public Accountant License was in full force and effect at all times relevant to the
23 charges brought herein, and expired on February 28, 2011.

24 **JURISDICTION**

25 3. This Accusation is brought before the California Board of Accountancy (Board),
26 Department of Consumer Affairs, under the authority of the following laws. All section
27 references are to the Business and Professions Code (Code) unless otherwise indicated.

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STATUTORY PROVISIONS

4. Section 490 of the Code states:

"(a) In addition to any other action that a board is permitted to take against a licensee, a board may suspend or revoke a license on the ground that the licensee has been convicted of a crime, if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the license was issued.

(b) Notwithstanding any other provision of law, a board may exercise any authority to discipline a licensee for conviction of a crime that is independent of the authority granted under subdivision (a) only if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the licensee's license was issued.

(c) A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action that a board is permitted to take following the establishment of a conviction may be taken when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal, or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code."

5. Section 5100 states, in pertinent part:

"After notice and hearing the board may revoke, suspend, or refuse to renew any permit or certificate granted under Article 4 (commencing with Section 5070) and Article 5 (commencing with Section 5080), or may censure the holder of that permit or certificate for unprofessional conduct that includes, but is not limited to, one or any combination of the following causes:

(a) Conviction of any crime substantially related to the qualifications, functions and duties of a certified public accountant or a public accountant.

....

(i) Fiscal dishonesty or breach of fiduciary responsibility of any kind.

(j) Knowing preparation, publication, or dissemination of false, fraudulent, or materially misleading financial statements, reports, or information."

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1 **FIRST CAUSE FOR DISCIPLINE**

2 ***(Conviction of a Substantially Related Crime)***

3 9. Respondent is subject to disciplinary action under sections 5100, subdivision (a),
4 5106, and 490, in that, Respondent has been convicted of crimes substantially related to the
5 qualifications, functions or duties of a Certified Public Accountant, as set forth below. Each
6 conviction is a separate cause for discipline.

7 a. On or about July 28, 2009, in the criminal proceedings entitled *United States of*
8 *America v. Linda Jean Wilson* (U.S. Dist. Ct., Central Dist. Cal., 2009, No. CR09-00584),
9 Respondent was convicted on her pleas of guilty to violating Title 42, United States Code,
10 Section 1320a-7b(c), (false statement re: Medicare provider) , one count, a felony, and Title 26,
11 United States Code, Section 7206(1), (willfully subscribing a false tax return), one count, a
12 felony. The circumstances are as follows:

13 b. On or about September 19, 2003, Respondent knowingly and willfully made a
14 false, fictitious, and fraudulent statement and representation of a material fact with respect to
15 information required to be disclosed by a provider of services reimbursable by Medicare, in that,
16 on a Medicare provider enrollment form, Respondent falsely declared that she was the only
17 person with an ownership and control interest of 5% or greater in ABC Diagnostic Services, Inc.,
18 ("ABC"), a Medicare Part B provider. The true facts were that Respondent knew that two other
19 individuals were one-third owners of ABC and, in partnership with Respondent, controlled
20 ABC's operations.

21 c. On or about March 1, 2005, Respondent did willfully, make and subscribe a
22 U.S. Income Tax Return, Form 1120S, for ABC for the tax year 2004, which was verified by
23 Respondent's written declaration that it was made under the penalties of perjury which was filed
24 with the Internal Revenue Service on or about March 9, 2005. Despite her statement under
25 penalty of perjury, Respondent did not believe the return to be true and correct as to every
26 material matter, in that, said return stated that there was \$37,060 in ABC shareholders' income
27 and that ABC paid \$619,075 in "professional fees" as deductible business expenses when
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Respondent knew that the shareholders' income figure was false and understated and the "professional fees" figure was false and overstated.

d. On or about December 14, 2009, Respondent was sentenced to five (5) years probation and ordered to pay a special assessment of \$100 for each count, and to pay restitution in the amount of \$290,927.

SECOND CAUSE FOR DISCIPLINE

(Knowingly Prepared False, Fraudulent, or Misleading Information)

10. Respondent is subject to disciplinary action under section 5100, subdivision (j), in that, Respondent knowingly prepared false, fraudulent, or misleading information by submitting false and fraudulent information to the IRS, as set forth in paragraph 9 above.

PRAYER

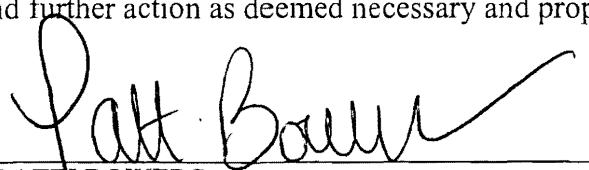
WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Board issue a decision:

1. Revoking or suspending or otherwise imposing discipline upon Certified Public Accountant Certificate No. 35978 issued to Respondent;

2. Ordering Respondent to pay the California Board of Accountancy the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 5107; and

3. Taking such other and further action as deemed necessary and proper.

DATED: 4/27/2011


PATTI BOWERS
Executive Officer
California Board of Accountancy
Department of Consumer Affairs
State of California
Complainant